

Amendment No. 1 to HB2434

**Pinion
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Date _____

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Clerk _____

Comm. Amdt. _____

AMEND Senate Bill No. 2841

House Bill No. 2434*

By deleting all language after the enacting clause and by substituting instead the following language:

SECTION 1. Tennessee Code Annotated, Section 55-4-201, is amended by adding the following language as new subsections:

(k) Any new specialty earmarked license plate authorized by statute on or after July 1, 2008, on behalf of a nonprofit organization shall subject to certification that such organization's nonprofit status by the secretary of state within ninety (90) days of such authorization prior to initial issuance. Any such plate authorized on behalf of a nonprofit organization which is not certified as a registered nonprofit organization in good standing with the state by the secretary of state shall be deemed obsolete and invalid.

(l) Any nonprofit organization receiving proceeds from the sale of a new specialty earmarked license plate on or after July 1, 2008, shall be subject to the following requirements:

(1) The nonprofit organization shall meet all statutory requirements and Internal Revenue Service regulations for nonprofit corporations;

(2) Each nonprofit organization receiving proceeds from the sale of a new specialty earmarked license plate shall submit an annual accounting of all such funds received by January 1 of each year following initial issuance to the comptroller of the treasury. The comptroller of the treasury may audit any nonprofit organization receiving funds from a new specialty earmarked license plate to ensure that such funds are being used in accordance with statutory authority for such plate, and the cost of such audit shall be charged to such nonprofit organization; and

(3) A nonprofit organization shall return any proceeds received from a new specialty earmarked license plate which a comptroller of the treasury's audit finds have been used in violation of statutory authority. The attorney general and reporter is authorized to institute appropriate legal action to recover such proceeds.

SECTION 2. This act shall take effect July 1, 2008, the public welfare requiring it.